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U.S. Creates an Office for Anti-Sandinista Aid

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SANTA BARBARA, Calif., Aug. 30—President Reagan announced today that he had set up a special office to distribute \$27 million in "humanitarian assistance" to the rebels who are seeking to overthrow the Nicaraguan Government.

Mr. Reagan, in making the announcement, said the United States sought "to support the democratic center against extremes of right and left" in Nicaragua.

White House aides said the office would operate as a separate body within the State Department, similar to the Agency for International Development. Officials said the State Department would replace the Central Intelligence Agency as the vehicle for channeling American aid to the Nicaraguan rebels.

A supplemental appropriations bill approved by Congress last month provided the \$27 million for nonmilitary aid to the Nicaraguan rebels, on the condition that it be distributed by any United States agency except the C.I.A. or the Defense Department. The White House reluctantly accepted the restriction in order to gather Congressional support for the aid. The funds are available through next March.

Political Solutions Stressed

Mr. Reagan, in a relatively muted statement about Administration aims in Nicaragua and the rest of Central America, emphasized that "the Administration is determined to pursue political, not military, solutions in Central America."

Mr. Reagan said the Nicaraguan opposition, supported by the United States, has "not demanded the overthrow of the Sandinista Government; they want only the right of free people to compete for power in free elections."

"Our policy is and has been to support the democratic center against extremes of right and left and to secure democracy and lasting peace through internal reconciliation and regional negotiations," Mr. Reagan said.

"In El Salvador, the opening of the political system has led to impressive reconciliation and the beginning of a

dialogue between President Duarte and the Salvadoran guerrillas," the President said.

"In Nicaragua," he added, "we support the United Nicaraguan Opposition's call for a church-mediated dialogue, accompanied by a cease-fire, to achieve national reconciliation and representative government." The United Nicaraguan Opposition is the alliance of several leading political figures and military leaders of the Nicaraguan rebel forces.

Order Sets Up Office

Along with his statement, Mr. Reagan issued an executive order establishing the Nicaraguan Humanitarian Assistance Office. The head of the office will probably be named next week. Several officials are under consideration for the position, including C. William Kontos, a former director of the Sinai Support Force who is now a member of the State Department's policy planning staff.

State Department officials said the assistance office would be relatively small, with about a dozen aides and support staff. Officials said the office would seek to audit, control and oversee the distribution of food, medicine and clothes to the rebels.

Congress, in strictly defining humanitarian aid, barred the use of the funds for trucks and other items that could be used for military purposes.

A White House official said the new office would operate "a bit like" A.I.D. or the Arms Control and Disarmament Agency. "It will operate," the official said, "under the policy guidance and general direction of the Secretary of State and the man that will head it."

No C.I.A. or Defense Personnel

In setting up the Nicaraguan Humanitarian Assistance Office, Mr. Reagan emphasized that "no personnel from the Central Intelligence Agency or the Department of Defense will be assigned or detailed to this office." He said, however, that other Government agencies will be able to provide advice, information and personnel to the new office.

The program "will be carried out under the policy guidance of the Secretary of State," the President said.

Mr. Reagan, in his statement, said that "the \$27 million appropriated by the Congress for humanitarian assistance to the democratic resistance recognizes the serious nature of the

conflict in Nicaragua and the desperate conditions which have forced people to choose armed opposition and the hard life of warfare and refugee camps over the controlled life offered by the Sandinistas.

"As Americans who believe in freedom, we cannot turn our backs on people who desire nothing more than the freedom we take for granted.

"By providing this humanitarian assistance, we are telling the people of Nicaragua that we will not abandon them in their struggle for freedom."

Officials said the new office would coordinate its efforts with Elliott Abrams, the Assistant Secretary of State for Inter-American Affairs, who directly oversees Central American policy.